

ADDITIONAL SUM OF \$150,000,000 FOR WORKS PROGRESS
ADMINISTRATION

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

RECOMMENDATIONS FOR IMMEDIATE CONSIDERATION OF LEG-
ISLATION PROVIDING AN ADDITIONAL SUM OF \$150,000,000 FOR
THE WORKS PROGRESS ADMINISTRATION TO BE AVAILABLE IN
THE BALANCE OF THE CURRENT FISCAL YEAR

FEBRUARY 7, 1939.—Referred to the Committee on Appropriations and ordered
to be printed

To the Congress of the United States:

On Saturday, February 4th, I approved House Joint Resolution No. 83 which appropriates \$725,000,000 to continue the operations of the Works Progress Administration for the remaining 5 months of the current fiscal year.

I would have withheld my approval of this legislation on the ground of its inadequacy to meet human need and I would have immediately asked for a larger sum if it had not been for the provision that there shall not be a reduction of more than 5 percent of the number of employees on Works Progress projects prior to April 1, 1939.

This proviso leads to the conclusion that the Congress stands ready during the balance of February and the month of March to reconsider actual needs in time to increase before April 1 the appropriation for the last 3 months of the fiscal year.

In my message to the Congress on January 5, 1939, I recommended a supplementary appropriation of \$875,000,000. This was based on a program to give employment to 3,000,000 workers during February and March and to reduce this employment to an average of 2,700,000

workers in June. This estimated reduction of 300,000 workers by June took full cognizance of the economic recovery which might reasonably be anticipated.

Because it has been necessary during the first week of February to utilize all working capital and pay-roll reserves normally maintained to protect the funds of the United States against over-obligation, it will also be necessary immediately to reestablish these reserves from the supplementary appropriation.

The net amount available to finance the Works Progress Administration from February 1 to June 30 is therefore \$725,000,000.

In discussing the employment that can be provided for 5 months with \$725,000,000, first consideration is given to the winter months of February and March. The joint resolution requires that reduction in employment in those months shall not exceed 5 percent, which reduction, if carried out, would mean the discharge of 150,000 employees.

However, I call your attention to the fact that the rolls have already been reduced by 350,000 since the last week of last October. As no new assignments have been made during this period, there has been a large accumulation of able-bodied people certified to us as in need of relief—people, however, who have not been able to secure places on the work program.

The need of these people is so apparent and so deserving that the rolls, in human decency, ought not to be reduced during February and March by even 5 percent. After conferences with the Works Progress Administration it has been determined for the above reason to hold the rolls at the present figure of 3,000,000 persons during these 2 months.

To employ these 3,000,000 people at the prevailing average monthly cost of \$61 will require an expenditure of \$366,000,000.

This will leave \$359,000,000 for the months of April, May, and June.

Under the terms of the joint resolution this sum must be apportioned over the entire period to June 30. The Administrator will have at his disposal an average of approximately \$120,000,000 per month for these 3 months—providing an average employment of slightly less than 2,000,000 persons.

Two alternatives under the joint resolution are open to the Administrator. The first is to reduce the rolls abruptly by 1,000,000 persons on the 1st of April and provide an average employment of 2,000,000 persons during the ensuing 3 months. This would result in throwing this very large number of persons out of employment suddenly. Such a number cannot possibly be absorbed by private industry in time to prevent extreme distress.

And I call your attention to the fact that on the average every person discharged from the rolls has dependent on him or her three other persons. In other words, the greater part of 4,000,000 Americans will be stranded.

The second alternative is to commence a week-by-week reduction on April 1 and to carry this reduction through to June 30. Even on the assumption that all reserves which under proper governmental procedure should be maintained were completely expended by June 30, such reduction would require that employment by the end of June will be reduced to a figure well below 1,500,000 persons.

In other words, the program of present employment would be slashed considerably more than one-half within a period of 3 months.

If, however, proper reserves were maintained at the end of the fiscal year, employment at the end of June would drop still further—to a figure of only slightly more than 1,000,000 persons.

Therefore, on a program of gradual reduction from 1,500,000 to 2,000,000 persons would be thrown out of Works Progress Administration employment—or, with the addition of those dependent on them, from 6,000,000 to 8,000,000 Americans would no longer receive Federal Government aid.

I ask that the Congress commence immediate consideration of these simple and alarming facts. The operations of the Works Progress Administration are of such magnitude that if a reduction such as I have above described has to be carried out, orderly and efficient planning requires that this be known definitely by the first week in March. It is equally important that the executive branch of the Government be informed at the earliest possible moment what additional funds, if any, will be available on and after April 1.

I invite the attention of the Congress to the fact that my recommendation for the larger amount was made to the Congress on January 5 and the joint resolution providing for a much reduced appropriation was presented for my consideration more than 4 weeks later.

In view of the foregoing considerations, I report to the Congress that in my opinion an emergency now exists, and that the facts constituting such emergency are as follows:

(a) That the rolls of the Works Progress Administration should be held at the present figure of 3,000,000 through the winter months of February and March to prevent undue suffering and to care in part for those persons who have been certified as in need, but have not been given employment.

(b) That the funds which have been provided by the Congress, if not supplemented, will require a very drastic reduction in the Works Progress Administration rolls commencing April 1, 1939, which would result in removing people from the work program in numbers far beyond those that could be absorbed by industry with any conceivable degree of recovery. Widespread want or distress would inevitably follow.

(c) That the need for orderly planning of the Works Progress Administration program requires that the Administrator should know by the early part of March what funds will be at his disposal after April 1 and that, due to the time required for congressional action, this can be brought about only by my reporting to the Congress on the situation at this time.

I therefore recommend to the Congress immediate consideration of legislation providing an additional sum of \$150,000,000 for the Works Progress Administration to be available in the balance of the current fiscal year.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,
February 7, 1939.



